

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Agricultural Commissioner	(2) MEETING DATE 5/21/2013	(3) CONTACT/PHONE Brenda Ouwerkerk 805.781.1556	
(4) SUBJECT Presentation of the 2012 Annual Agricultural Statistics.			
(5) RECOMMENDED ACTION It is recommended that your Board receive and file the 2012 Annual Agricultural Statistics for San Luis Obispo County.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT { } Consent { } Presentation { } Hearing (Time Est. ____) { X } Board Business (Time Est. <u>15 minutes</u>)			
(11) EXECUTED DOCUMENTS { } Resolutions { } Contracts { } Ordinances { X } N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A { } 4/5th's Vote Required { X } N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY { X } N/A Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Geoff O'Quest, Administrative Analyst			
(18) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Agricultural Commissioner / Martin Settevendemie
805.781.5913

DATE: 5/21/2013

SUBJECT: Presentation of the 2012 Annual Agricultural Statistics.

RECOMMENDATION

It is recommended that your Board receive and file the 2012 Annual Agricultural Statistics for San Luis Obispo County.

DISCUSSION

The Agricultural Commissioner/Sealer will present your Board a summary of crop and livestock statistics and trends from 2012 for production levels and value.

The agricultural industry in San Luis Obispo County continues to be a major contributor to the county's prosperous economy. 2012 was a record breaking year for agriculture with overall crop values of \$861,803,000, an improvement of nearly 18% over 2011 values. This figure represents only commodity gross values, and does not include costs that affect profit margins or any overall economic benefit resulting from the contributions of a strong local agricultural industry.

For 2012, the top ten commodities ranked in descending order by value were: strawberries, wine grapes, cattle and calves, broccoli, vegetable transplants, cut flowers, indoor decorative plants, avocados, head lettuce and outdoor ornamental plants. Three out of the five crop categories, Animal Industry, Field Crops and Fruit and Nut Crops, posted record values for the year.

For the second consecutive year, the strawberry industry remained in the top position in overall value. The total value of strawberries was over \$205 million, representing 24% of the total combined value of the County's entire agricultural industry. Over 123,000 tons of berries were hand-picked from roughly 3,000 acres. Mild weather conditions and limited rainfall resulted in high yields.

Wine grapes remained the number two ranked commodity in value in 2012. Production overall rebounded dramatically to record breaking levels after the devastating effects of the April 2011 severe frost. Overall, total production increased 31% compared to 2011. Strong prices and high demand for San Luis Obispo County wine grapes set a new production record of over \$197 million.

During 2012, the local beef cattle industry felt the effects of local and nationwide drought conditions. The uncertainty of available grass for grazing due to the local dry conditions resulted in reduced herd numbers. However, drought conditions across the United States increased the demand for beef cattle, creating strong prices. Total beef production for 2012 was valued at over \$69 million, an increase of 4% compared to 2011. The total production for the livestock sector was valued over \$73 million, a 3% increase over 2011.

Favorable weather conditions in 2012 lead to increased yields for avocado and citrus growers. The yield for avocados increased by 103% and lemon yields increased by 142%. However, prices per ton for avocados and lemons fell by 48% and 54%, respectively. Orange growers produced 73% more fruit over 2011 levels and saw very strong prices.

Fairly mild weather conditions during 2012 had variable effects on vegetable production. Overall, the vegetable value increased by 17% over 2011. Consisting of primarily annual crops, this agricultural sector tends to be speculative in assessing future customer demands, with growers making adjustments from year to year on what is produced. Labor shortages had a negative impact on the vegetable industry in 2012.

The nursery stock industry remained relatively stable, with overall values declining only 1%. Indoor decorative plant production decreased and the value dropped 17% from 2011. However, increased production, solid prices and improved demand for outdoor ornamental plants resulted in a sharp increase of 82% in value compared to 2011. This is in sharp contrast to the low demand in recent years due to the downturn in the economy and diminished new home construction. For the first time in several years, nursery stock producers are beginning to expand production.

Drought conditions negatively impacted field crops such as barley and grain hay resulting in reduced yields. Prices, however, were strong overall as demand for animal feed held steady. Plantings of alfalfa increased by nearly 600 acres in 2012, and prices remained strong. Overall the combined value of field crops was 7% above 2011 levels.

Agriculture continued to be a significant economic contributor in 2012 and represents a central component of the quality of life, not only for local citizens, but for others around the world that enjoy the fruits of the labor of the San Luis Obispo County agricultural industry.

OTHER AGENCY INVOLVEMENT/IMPACT

None.

FINANCIAL CONSIDERATIONS

There are no fiscal impacts associated with this update.

RESULTS

The statistics will help to inform your Board and the public about the total gross value of agriculture in San Luis Obispo County.

ATTACHMENTS

1. Attachment 1-2012 Final Agricultural Statistics
2. Attachment 2-2012 Crop Report Presentation